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Mechanizing Governmental Accounts

BY CLARK L. SIMPSON

The auditor's office in Cuyahoga county, Ohio, like all populous tax offices, prepares annual tax rolls presenting a mass of necessary detail describing each parcel of property against which taxes are assessed. Laws passed by the state legislature almost at the inception of the real-estate tax in Ohio are still in force in practically their original form.

These antiquated statutes prescribe and describe the kind of accounting forms to be used in presenting this tax roll or "duplicate" as it is called in Ohio. It has proven difficult to obtain proper revision of these old laws—Ohio's law-makers being dominated by the rural representatives whose logic has been that the tax laws must be all right since they have been satisfactory up to now. A few "evolutionary" bills have crept into the present session of the general assembly and at the present writing seem destined to gain approval and become law.

In revising the accounting in use in Cuyahoga county, we have, therefore, had to keep our system in compliance with an antiquated set of laws passed at a time when taxation was a very minor problem. Property owners of a decade ago paid their taxes and assessments without complaint, and delinquencies were in the minority, but today, of 390,000 parcels in the county, over 188,000 are certified delinquent and ready for litigation for public sale. (In this county officers have adopted a charitable attitude regarding confiscation of real estate biding improvement of the real-estate market and improvement in economic conditions.)

At the time we initiated our modernization program in this office we found the following conditions:

The tax roll was made up of three sets of tax ledgers, each set consisting of 120 enormous volumes. One set was the auditor's, one the treasurer's and the third the assessor's. In this county, the auditor and assessor are one, although the assessing department is a separate division. The assessor's roll was used as a valuation control and all changes in real-estate values were noted therein. Each year these 360 large books were typed from the previous year's assessor's tax ledger, which employed about 25

typists for three months. Even a careful double check of this work did not prevent dangerous errors from creeping into the property descriptions. An example of a duplicate entry follows:

<i>Owner</i> —Joe Tomko	1092 East 79th St.	
<i>St.</i> —Snow Rd.	<i>Orig. lot</i> —12	<i>Subdiv.</i> —Ridgara No. 2
<i>Map</i> —4	<i>Page</i> 33	<i>Ft. front</i> —40
<i>Sub-lot</i> —1228	<i>What part</i> —all	

A change in any of the above might be responsible for much controversy and yet such errors were all too frequent in typing 390,000 such items.

Other books in use were special assessment records in 105 annual volumes, size 22 inches by 19 inches. These showed charges against properties for sewers, water line, road repairs and miscellaneous improvement projects to be assessed against the parcel. There were approximately one million accounts involved in these records, as some parcels had as many as twelve special assessments.

Employment in this office varied by periods—there being only a skeleton crew of all-year-round employees and about 150 temporary ones in settlement periods. Our immediate aims were to spread the work in such a way as to level rush employment peaks, to produce promptly more accurate and more legible records and introduce real economy into the operations of the office.

A survey of auditors' offices in other cities centered our attention on Cincinnati and Detroit, where tax rolls and records were reproduced annually by means of addressograph machines and we patterned to some extent after both offices. Metal plates show the name and address of the property owner and the detailed property description as described previously. These plates of necessity reproduce perfectly and this eliminates completely the inaccuracies which have been a major problem. Additionally, this system enables two persons to produce tax records in three weeks, which under the manual method has taken 25 typists three months. Records under our new system are very neat and much more compact than previously. Our tax ledgers are reduced from a double spread to a single sheet.

We also have introduced account-cards to replace unwieldy special assessment ledgers. These ledgers were previously prepared annually (105 books) but we have substituted 8 inch x 5 inch cards, each card providing for a special assessment on one parcel for a twenty-year period. Introduction of a loose ledger

card system was an especially hard task but it has proven well worth the while in the savings afforded.

A ledger card was substituted for the assessor's duplicate or value-control ledger, and it too provides for a twenty year period. This card carries practically all information relative to taxes and assessments against a parcel for the entire period and enables our employees to furnish the taxpayers any desired information more readily than was the case under the old system.

Much accounting which had been manual has been transferred to the comptometer division of the auditor's office, where forty operators rapidly make the necessary calculations. A few listing machines are used in analyzing taxes paid and this, too, up to the present year was entirely manual.

Use of mechanical aids in the county auditor's office in Cuyahoga, of course, accompanied by a complete revision of the antiquated accounting system, has accomplished our purpose. It has cut the time required in half and has to a less degree reduced payroll costs. It has also furnished accurate, efficient records and has to a surprising extent eliminated peak loads of work, enabling us to keep a nominal staff the year round, rather than a skeleton crew to be bolstered by temporary helpers when needed.

Representatives from other governmental offices are making studies of our operations and we take pride in "showing-off" our system by comparing it with the old methods. At present, our system is designed to meet not only our immediate requirements but the accounting needs of the future—when our rural legislature finally awakens to the necessity for revision of our antiquated tax laws. The machine age has invaded the tax office and I predict that it is here to stay!